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Fools' Gold:
Racism, Social Mobility, and Native Americans during the Gold Rush

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“Gold! Gold! Gold on the American River!” exclaimed Samuel Brennan as he ran through the streets of San Francisco, brandishing a vial of gold. Just months later, on December 5, 1848, President James K. Polk confirmed Brennan’s discovery in his State of the Union address, proclaiming that “accounts of the abundance of gold in that territory are of such an extraordinary character as would scarcely command belief were they not corroborated by the authentic reports of officers in the public service.”¹

For many, the discovery of vast natural resources appeared to be a golden opportunity—a promise of wealth for any man able to rush to California with a shovel and a pan. And the world took notice: not only did men flock to California from all across the United States, but immigrants also made their way from Mexico, Hawaii, Australia, China, and Europe.² By the mid-1850s, more than 300,000 individuals had migrated to California, causing its population to

¹ Steven Hahn, *A Nation without Borders: The United States and Its World in an Age of Civil Wars, 1830-1910* (New York: Viking Publishing, 2016), 144.

² Hahn, *A Nation Without Borders*, 144.

multiply twenty-five-fold.³ The discovery of gold tempted many to abandon their poor working and living conditions for their chance to “strike it rich” out west.

Often considered the dawn of a new era with boundless opportunities and riches for anyone, the rapid, widespread transcontinental migration spurred by the Gold Rush replicated and exacerbated pre-existing societal issues—namely racism, mistreatment of Indians, and unequal economic opportunity—in the United States. Racial tensions were evident from the outset of the Gold Rush, as white migrants sought to re-establish racial hierarchies in their new settlements, employing and mistreating blacks, Mexicans, and other groups in the process of mining for gold. Moreover, such large-scale, primarily westward migration had devastating effects on Native American communities across the country, sparking violent conflicts and disrupting local economies. Although, in theory, the Gold Rush represented a grand opportunity for economic prosperity and social mobility, in reality, few individuals who migrated to California actually managed to earn a significant profit. This failure may be attributable to the cutthroat competition resulting from the sheer magnitude of the migration, as well as unforeseen challenges in extracting gold from deeper deposits in the earth, which left miners with little choice but to rely on East-coast capital to finance the required heavy machinery.

Although racism, maltreatment of Native Americans, and unequal economic opportunity are all problems that have plagued American society from its inception, each of these was further amplified by the California and Colorado gold rushes and the mass-migration they galvanized, which remains the largest in United States history to date. By failing to deliver on its economic promise and magnifying racial tensions, the Gold Rush made a distinct contribution to the continuing relevance of these issues in American society today.

³ Hahn, *A Nation Without Borders*, 145.

Escalating Racial Tensions

White racism towards blacks, Mexicans, Native Americans, and essentially all other non-whites has persisted since the colonial era of American history. For centuries, white Americans have stripped Mexicans, Native Americans, and blacks—both slave and free—of their freedoms, asserting their own superiority in order to gain power and raise their socioeconomic status. Political rhetoric and government policies have worked hand-in-hand to reinforce such ideology and entrench it into societal structures. For example, Republicans in the 1790s promoted racial solidarity among whites by claiming that whites were entitled to greater rights than blacks and Native Americans because white men were superior to them.⁴ By the mid-nineteenth century, such racist ideologies had become deeply ingrained in the minds of white Americans across the United States. Thus, as white commoners flocked to Colorado and California during the Gold Rush, they brought along their preconceived notions of racial superiority and sought to recreate the racial hierarchies that existed in their previous communities, hopeful that doing so might give them an advantage in the competition for gold.

Individuals from across the known world migrated to the American West in search of gold. “Nearly the entire male population” of San Francisco rushed east to the foothills first, but soon men came from across the United States, and then from Mexico, Hawaii, Asia, and Europe.⁵ The Gold Rush, according to Hahn, “may well have been the most culturally

⁴ Alan Taylor, *American Revolutions: A Continental History, 1750-1804* (New York: W. W. Norton, 2016), 411.

⁵ Hahn, *A Nation Without Borders*, 144.

kaleidoscopic event in the history of the United States up to that time.”⁶ An influx of more than one hundred thousand migrants, paired with finite amounts of land and gold, was certain to result in cutthroat competition. Thus, white miners and locals sought to impose their power in whatever ways that they could to get ahead, moving quickly to “entrench the position of petty producers and proprietors” by prohibiting slaves or negroes from owning land claims or even working in the mines.⁷ Violence proved to be an expedient tool to establish order, as white workers hanged or mutilated those who violated their rules.⁸ White migrants cruelly asserted their authority, denigrating blacks and other groups of color in order to increase their personal odds in prospecting for gold.

Racial tensions exacerbated by the Gold Rush and westward migration extended beyond California mining towns to the U.S.-Mexico border. The discovery of gold, silver, copper, and other natural resources in the borderlands—beginning in the 1870s—drew hopeful laborers from Mexico, North America, Europe, and Asia.⁹ Labor markets along the U.S.-Mexico border were segmented by race, and working-class ethnic Mexicans earned lower wages than the Anglo-Americans and European immigrants who performed the same jobs.¹⁰ Mining companies implemented dual-wage systems: in Bisbee, for example, local Mexican miners were paid \$1.25 per day, compared to the \$3.50 per day paid to native-born or immigrant whites.¹¹ Moreover,

⁶ Hahn, *A Nation Without Borders*, 144.

⁷ Hahn, *A Nation Without Borders*, 145.

⁸ Hahn, *A Nation Without Borders*, 145.

⁹ Rachel St. John, *Line in the Sand: A History of the Western U.S.-Mexico Border* (Princeton, Oxford: Princeton University Press, 2011), 70-71.

¹⁰ St. John, *Line in the Sand*, 71-72.

¹¹ St. John, *Line in the Sand*, 72.

whites were afforded better job opportunities than their Mexican counterparts with higher-level positions, such as mechanics, foremen, and engineers offered almost exclusively to whites. One Mexican worker at Cananea remarked that “racial foreign hegemony” had been imposed “over all the enterprise, on our own soil” at the expense of national interest, national dignity, and “the most elemental principles of justice and national honor.”¹² Such racially stratified and discriminatory labor markets affronted Mexicans and other immigrants of color working in the borderlands, and such aggrievement often culminated in violent conflict.

Racial tensions within the workforce only continued to heighten in the second half of the nineteenth century, as many men went to work for large railroads, mining, and petroleum companies. To negotiate for improved working conditions and fewer working hours, white workers banded together and formed labor coalitions, such as the Knights of Labor.”¹³ Yet the local chapters of the Knights of Labor were not racially inclusive: while black and Mexican workers suffered from the same issues in the workplace as whites, white members refused to work “in the same assembly with the negroes.”¹⁴ Thus, by choosing to segregate their labor coalitions, whites sought to extend their own rights and power in the workplace and fight for increased wages and improved working conditions, while leaving their non-white co-workers to fend for themselves.

The Gold Rush escalated racial tensions and significantly reinforced white supremacy across the American west. However, the racism exacerbated by the Gold Rush did not only manifest itself in the discriminatory policies implemented by whites in their gold-rush

¹² St. John, *Line in the Sand*, 72.

¹³ Hahn, *A Nation Without Borders*, 408.

¹⁴ Hahn, *A Nation Without Borders*, 410.

settlements. Many of the men who migrated to California and other areas out west failed to profit from the Gold Rush, and in the second half of the nineteenth century went to work for railroad, telegraph, iron, or petroleum companies instead. And as these white workers entered new labor markets after failing to advance economically during the Gold Rush, they retained their racist sentiments and sought to re-establish racial hierarchy in their new work environments.

Exploitation of Native Americans

As individuals migrated to America in increasingly large numbers throughout the seventeenth and eighteenth centuries, colonists began to inch westward to accommodate growing populations and acquire more land, encroaching on Native American territories and communities in the process. Land acquisition attempts were made by individual colonists and the federal government alike: Patriots fought west of the Appalachian mountains to suppress the independence of native tribes, aspiring to create an “empire of liberty” predicated on the ability of white commoners to acquire private property by seizing land from Indians.¹⁵ Between 1784 and 1786, federal commissioners extorted “cessations of millions of acres of land” from native tribes, effectively dispossessing many Native Americans in the Ohio Valley in the process.¹⁶ Often, the Native Americans who dared to fight back paid for it with their lives.

In the early nineteenth century, colonists began to migrate further west—towards the Mississippi—seeking to profit from trade and beaver fur trapping. While many Native American tribes initially were welcoming, and even guided and joined trading and trapping parties, their

¹⁵ Taylor, *American Revolutions*, 278.

¹⁶ Taylor, *American Revolutions*, 343.

assistance went largely unappreciated and uncompensated.¹⁷ American fur trappers consolidated control over the Great Plains and other territories they visited to hunt, thus exposing Native American territory in the Midwest to “illicit trade, traffic, and trapping.”¹⁸ But, the colonists’ mistreatment of Native Americans did not stop at land dispossession: in their voracious pursuit of wealth, white migrants also exploited Native American labor and resources for trade and beaver fur trapping, diminishing Native American communities to mere “crossroads” within greater economic and imperial contests.¹⁹ Yet this was only the beginning, as migrants’ behavior towards Native Americans would become increasingly contemptible during the Gold Rush of the 1850s and beyond.

Following the discovery of gold in July of 1858, tens of thousands of men rushed to the Colorado Rockies. The influx of thousands of migrants each season left many Indians struggling to find game to feed themselves and their families, and in response, many retreated further into the mountains or became increasingly discontent.²⁰ As the Gold Rush destroyed the local economies of Colorado’s Plains Indians and pushed many to the brink of poverty and starvation, pent-up anger quickly erupted into violence between local Native Americans and migrants. Christopher Carson reported numerous attacks along Colorado’s gold rush frontier in the summer of 1859, writing that “hostilities were commenced by these Indians against the whites who were entering the Valle Salada in search of gold.”²¹ When the seemingly endless torrent of white

¹⁷ Ned Blackhawk, *Violence over the Land: Indians and Empires in the Early American West* (Cambridge, Mass: Harvard University Press, 2006), 128-129.

¹⁸ Blackhawk, *Violence over the Land*, 133.

¹⁹ Blackhawk, *Violence over the Land*, 127.

²⁰ Blackhawk, *Violence over the Land*, 207.

²¹ Blackhawk, *Violence over the Land*, 207.

migrants exploited territory historically occupied by local tribes and left them with little to eat, frustrations understandably reached a boiling point.

The nomadic, equestrian lifestyle of many Native American tribes was regarded by white settlers as savage and “uncivilized,” and was used as a justification for targeting local Native Americans. Overland travel in regions afflicted by the Gold Rush was overshadowed by “degenerative cycles of violence and reprisal” between local Native American groups and white gold rush emigrants.²² Violent disputes often ensued as Native American communities were dispossessed from their territories and forced onto reservations, where they were expected to completely change their way of life and adopt an agricultural and sedentary lifestyle.²³ The massive migration of white miners caused by the Gold Rush permanently disrupted the lifestyles and local economies of countless Indian tribes across the American West.

White settlers continued to seize land from Native Americans across the United States in the decades following the Gold Rush, both for colonization purposes as well as capitalist endeavors such as railroad construction and oil drilling. Federal policy regarding land privatization proved to be especially problematic as it was applied inconsistently and unfairly, to the detriment of Native Americans. In particular, the Brunot Agreement of 1873—which allowed the federal government to extract four million acres of land from the Ute reservation in the San Juan Mountains for mining purposes—was especially concerning, as it established “both a precedent and the mechanisms for taking the rest.”²⁴ Individuals aided by the federal

²² Blackhawk, *Violence over the Land*, 249.

²³ Blackhawk, *Violence over the Land*, 206-207.

²⁴ Blackhawk, *Violence over the Land*, 224.

government, as well as the federal government itself, have since been able to appropriate millions of acres of land that Indians had formerly inhabited or claimed.²⁵

Historians and politicians have sought, since the early seventeenth century, to justify the atrocities of the colonists' disruption and seizure of the land and lives of countless Native Americans.²⁶ However, the actions of these white settlers—endorsed by the federal government—are impossible to justify in light of their devastating and lasting effects on Native American tribes across the country. D.W. Meinig has compared the colonists' removal of Indians to “a giant bulldozer pushing Native peoples west.”²⁷ Because of the Gold Rush, “the bulldozer of American removal hit the Rockies hard.”²⁸ Thus, the Gold Rush continued and exacerbated the mistreatment of Native Americans across the United States by disrupting Native American communities and economies, both in the areas migrants passed through, as well as where they ultimately chose to settle. Blackhawk's disconcerting account of the violence and conflict that pervaded the Colorado Gold Rush is only one example of the unassailable contribution that the gold rushes made to the enduring mistreatment of Native Americans in the United States.

Lack of Economic Opportunity for Migrant Workers

²⁵ St. John, *Line in the Sand*, 75.

²⁶ Blackhawk, *Violence over the Land*, 3.

²⁷ Blackhawk, *Violence over the Land*, 225.

²⁸ Blackhawk, *Violence over the Land*, 225.

British and American explorers ventured west in the early 1800s with two primary goals: according to Blackhawk, “the first was to identify the most accessible routes across lands,” and the second was “profit.”²⁹ Hearing tales of “wonder,” bountiful resources, and “challenging but profitable lands,” traders and beaver fur trappers were among the first hopefuls to venture westward in search of economic profit.³⁰ However, those who actually managed to become wealthy from beaver fur trapping were the exception rather than the rule. Due to navigational difficulties and conflicts with Native Americans, American traders in the early nineteenth century largely failed to capture the riches of the territories that earlier expeditions had identified.³¹ The economics of fur trapping continued to deteriorate as time went on and by the 1840s, beaver pelts had become difficult to procure and their value had plummeted.³² Thus, while profit was always the goal of westward exploration, it was rarely the outcome.

Practices and policies regarding land sales also inhibited the common white man from becoming wealthy through westward migration, as such rules privileged the wealthy, who typically were white upper class. Speculators with political connections, who had purchased thousands of acres of cheap land, frequently demanded inordinate sums from commoners for smaller parcels of land.³³ The enactment of the second Northwest Ordinance in 1785 put such practices into law—Congress stipulated land sales by sections for a dollar per acre, required to be paid immediately in full—which favored “wealthy speculators rather than common settlers.”³⁴ In

²⁹ Blackhawk, *Violence over the Land*, 150-151.

³⁰ Blackhawk, *Violence over the Land*, 158.

³¹ Blackhawk, *Violence over the Land*, 158-170.

³² Blackhawk, *Violence over the Land*, 185.

³³ Taylor, *American Revolutions*, 67.

³⁴ Taylor, *American Revolutions*, 341.

the early 1800s, Federalist land policy favored speculators over settlers by mandating a minimum land purchase of 640 acres that had to be paid in full at a minimum price of two dollars per acre.³⁵ While, in theory, westward expansion and land acquisition held an opportunity for the common man to acquire wealth, in reality, upward socioeconomic mobility via land acquisition and agricultural pursuits was nearly impossible to achieve; virtually all commoners lacked the means to purchase the land necessary for such an undertaking.

Yet, the apparent opportunity that the West held for any man to escape his existing circumstances and become spectacularly wealthy continued to lure individuals west. News of the discovery of gold struck the chord of many and “stimulated the imaginations of people across the globe.”³⁶ Initially, it appeared as though the individuals who arrived early stood to profit. Gold was near the surface, and while placer mining was backbreaking work, it was conducive to individual or small-group endeavors and the required materials (e.g., shovels, buckets, pans) were relatively inexpensive.³⁷ However, the surface deposits were quickly depleted. To mine below the surface, heavy and expensive equipment was needed. As a result, social balances quickly began to tip away from individual or small mining partnerships towards various forms of industrial finance and organization.³⁸ Individual miners—burdened by payments they were expected to make to their financiers—now failed to earn a meaningful profit from their labor, while East Coast investors profited handsomely from their return on capital.

³⁵ Taylor, *American Revolutions*, 403.

³⁶ Hahn, *A Nation Without Borders*, 144.

³⁷ Hahn, *A Nation Without Borders*, 145.

³⁸ Hahn, *A Nation Without Borders*, 145.

“The power and greed of corporate capital” became more nakedly evident in the second half of the nineteenth century.³⁹ Many of the men who initially migrated west in the hopes of achieving wealth in the gold rush (and failed) wound up working for railroad, steel, and oil companies out west, the vast majority of which were owned by wealthy businessmen. As wage laborers, they worked at the will of large corporations, enduring long hours, poor working conditions, and ever-diminishing wages. While workers organized strikes to protest these conditions, corporations, with the help of the federal government, moved quickly to quell such dissent.⁴⁰ Thus, the Gold Rush and its aftermath exposed the myth that westward migration afforded the migrants with economic prosperity. Commoners who failed to achieve even a modicum of wealth in the gold rush often had no choice but to scrape by on nominal wages, while their employer corporations—owned by the emerging financial and industrial elite—profited staggeringly from their labor.

Conclusion

The discovery of gold in the American west held the false promise that any willing individual could become wealthy and thereby achieve social mobility. To white settlers, the west was a frontier, “synonymous with possibilities and promises of modern life itself.”⁴¹ Yet, not only did the frontier fail to deliver on its promise of economic prosperity, but the influx of hundreds of thousands of white workers in labor markets across the west and along the U.S.-

³⁹ Hahn, *A Nation Without Borders*, 446.

⁴⁰ Hahn, *A Nation Without Borders*, 454.

⁴¹ Greg Grandin, *The End of the Myth: From the Frontier to the Border Wall in the Mind of America* (New York: Metropolitan Books, 2019), 3.

Mexico border jeopardized the positions of local workers of color and ignited racial conflict. Moreover, white settlers' migration and occupation across the frontier had catastrophic consequences for Native American communities, territories, and economies. These issues—racism, mistreatment of Native Americans, and unequal economic opportunity—continue to shape American society today.

Structural racism and ethnic inequality continue to loom large in American society. Wage discrimination continues to be rampant: a 2018 study of U.S. Census Bureau data found that, after controlling for age, gender, education, and region, black workers were paid 16.2% less than white workers.⁴² Racial disparities and discrimination also permeate the U.S. criminal justice system as African-Americans adults are nearly six times more likely to be incarcerated than whites, and Hispanics are more than three times as likely, according to data from the U.S. Bureau of Justice Statistics.⁴³ A 2017 police violence report found that compared to whites, “Black people were more likely to be killed by police, and less likely to be armed or threatening someone when killed.”⁴⁴

Social and political institutions continue to treat Native Americans unfairly today. Certain school districts in the West, such as the Wolf Point School District in Montana, have been accused of discriminating against Native American students by disciplining them more harshly than their white counterparts and pushing them into poorly-funded remedial programs without

⁴² Elise Gould, “Stark black-white divide in wages is widening further,” *Economic Policy Institute*, February 27, 2019, <https://www.epi.org/blog/stark-black-white-divide-in-wages-is-widening-further/>.

⁴³ Henderson Hill, “Report to the United Nations on Racial Disparities in the U.S. Criminal Justice System,” *The Sentencing Project*, April 19, 2018, <https://www.sentencingproject.org/publications/un-report-on-racial-disparities/>.

⁴⁴ “2017 Police Violence Report,” Police Violence Report, accessed March 25, 2020, <https://policeviolencereport.org>.

proper cause.⁴⁵ According to a 2017 survey conducted by researchers at the Harvard T.H. Chan School of Public Health, more than one-half of Native Americans living in majority native areas felt that they had faced discrimination in interacting with police, applying for jobs, or negotiating for equal pay or a promotion. The voting rights of Native Americans continue to be suppressed by Voter ID laws and residential address requirements. President Trump has repeatedly attempted to advance the construction of the Dakota Access pipeline, which runs through native treaty lands.

A widely held American sentiment is that any individual can rise from humble origins to economic prosperity, yet recent studies have found that vertical intergenerational mobility—that is, the change in socioeconomic status between parents and children—is lower in the United States than in Canada and in many European countries.⁴⁶ 62% of Americans raised in the top fifth of all incomes remain in the top two-fifths, and 65% born in the bottom fifth of incomes remain in the bottom two-fifths through their adult lives.⁴⁷ Socioeconomic mobility is often touted as a cornerstone of American society, however the reality is that today's societal strictures may make it just as challenging for the average person to achieve upward social mobility today as it was in the 1850s.

There appears to be an enduring belief that American society is meritocratic, liberal and of free markets, and that all individuals are “equal” both within society and under the law. Yet, an analysis of the tribulations of American history, a critical episode of which was the Gold

⁴⁵ Annie Waldman and Erica L. Green, “U.S. to Investigate Discrimination against Native Students on Montana Reservation,” *New York Times*, January 4, 2019, <https://www.nytimes.com/2019/01/04/us/politics/native-american-education.html>.

⁴⁶ Jason DeParle, “Harder for Americans to Rise from Lower Rungs,” *New York Times*, January 4, 2012, <https://www.nytimes.com/2012/01/05/us/harder-for-americans-to-rise-from-lower-rungs.html>.

⁴⁷ Ibid.

Rush, shows that this is far from the truth. America remains a land of unequal opportunity: our societal structures favor the wealthy, inhibit social mobility, and remain deeply racialized.

Developing solutions to these problems requires a deeper understanding of why they have persisted for such a long time. In this context, the widely held perception of the Gold Rush as a period of great opportunity for all must be debunked. Rather than delivering on the glimmering possibilities for prosperity and social development, it merely exacerbated preexisting racism, mistreatment of Native Americans, and a lack of broad-based economic opportunities. Stated differently, fool's gold.

About the author

Natasha Stange is a rising sophomore at Pomona College in Claremont, CA. She plans to double major in Economics and History, with a field specialization in the Ancient and Medieval Mediterranean. She is a New York City native and a dual citizen of the U.S. and Germany. In her free time she enjoys reading, skiing, hiking, and cooking.

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